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FM AMEMBASSY DHAKA
TO RUEHC/SECSTATE WASHDC PRIORITY 6517
INFO RUCNCLC/CHILD LABOR COLLECTIVE
RUEHIL/AMEMBASSY ISLAMABAD 1052
RUEHLM/AMEMBASSY COLOMBO 7375
RUEHKT/AMEMBASSY KATHMANDU 8465
RUEHNE/AMEMBASSY NEW DELHI 8990
RUEHLO/AMEMBASSY LONDON 1418
RUEHKO/AMEMBASSY TOKYO 1030
RUEHUL/AMEMBASSY SEOUL 0240
RUEHCI/AMCONSUL CALCUTTA
RUEHIN/AIT TAIPEI 0066
RUEHC/DEPT OF LABOR WASHDC

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TAGS: [ELAB](#) [ETRD](#) [PGOV](#) [BG](#)

SUBJECT: BEPZA HIRES LABOR CONCILITORS IN ANTICIPATION OF
NEXT PHASE OF EPZ LAW

¶1. (SBU) Towards the end of 2005, the Bangladesh Export Processing Zone Authority (BEPZA) hired two labor "conciliators" pursuant to chapter five --Conciliation and Arbitration -- of the EPZ Workers Association and Industrial Relations Act, 2004 (the EPZ Law). According to the law, the conciliators' purpose is to settle disputes before referral to arbitration and within the context of an impending strike. BEPZA Executive Chairman Zakir Hossain told laboff that BEPZA received World bank funding to hire the conciliators as part of a multi-million dollar institution strengthening grant.

¶2. (SBU) Laboff spoke to one of the BEPZA conciliators, Shahida Begum, who is responsible for the Savar/Dhaka EPZ. Begum, who is in her 50s, says that she was a lawyer for 21 years practicing civil and criminal law, but specialized in labor law. Hired in late December 2005, she said she attended the same December 2005 training session as the counselors and arbitrators and has been using the time since then to "observe the labor situation in the EPZs." Asked if BEPZA had sufficiently informed workers on the procedure on the use of counselors, conciliators, and arbitrators, she replied in the affirmative but was not able to articulate the exact process.

¶3. (SBU) The American Center for International Labor Solidarity's (ACILS) Field Representative, Rob Wayss, told laboff that hiring conciliators was premature as they are needed only in a situation where workers have the right to strike. Under current law, EPZ workers do not have the right to strike, he said. Asked if BEPZA was simply planning ahead for the time when the elections for the Workers Associations would permit the right to strike, Wayss said that the conciliators, along with the counselors and arbitrators, were hired at salaries twice the market rate for their profession, yet BEPZA still was unable to obtain qualified personnel. He said that many truly qualified human resource managers were wary that BEPZA would not be able to compensate them at this high rate after the World Bank grant runs out in two years. Laboff asked EPZ's Hossain how he intended to sustain them after the grant ran out. Hossain replied that BEPZA would find a way.
CHAMMAS